

Rep. Stark said the following:

"Today I received a copy of a memorandum to all Medicare+Choice organizations dated June 14, 2001 from the Acting Director of the Medicare Managed Care Group. The memo details new instructions for the delay in the Adjusted Community Rate (ACR) filing date from July 2 to September 17, 2002. The ACR is essentially the proposal for next year's benefits and premiums. The agency decided to make this change on its own, even though the July date is in statute.

In detailing the process for submission of new plan proposals for 2002, the agency seems to have made a mistake – though I fear they actually know exactly what they are doing. The new CMS will put the information submitted by the plans up on the web October 2, they will allow plans to start advertising on October 15, but they won't approve the plans' submissions until October 26! That is backward if you ask me.

This shows what I feared. The review process by this Administration is meaningless. Medicare+Choice plans decide what they want to charge, what they want to offer, and it will be rubber stamped by the new CMS. Either that or Medicare beneficiaries may join health plans this fall and later find out they have enrolled in a plan with a different benefit package than advertised. Either way it is bad news for seniors. All of this is happening while we continue to waste billions on enrollees in Medicare+Choice plans. We have yet to implement a fair reimbursement system that compensates plans based on the risk of their enrollees.

Medicare is a program for seniors – not a subsidy program for HMOs."